Supreme Court, U.S.
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No.

IN THE

Supreme Court of the United States

October Term, 1998

LEONA R. ANDERSON,

Petitioner,

v.

IMPERIAL CENTER V, L.P., a California Limited Partnership, ET AL.,

Respondents.

On Petition For Writ Of Certiorari
To The United States Court of Appeals
For the Ninth Circuit

PETITION FOR A WRIT OF CERTIORARI

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41 pp

QUESTIONS PRESENTED FOR REVIEW

Whether a subsequent action in federal court for copyright infringement which is within the exclusive jurisdiction of the United States District Court constitutes an exception to Title 28 U. S. C., Section 1738 which provides that state judicial proceedings "shall have the same full faith and credit in every court within the United States as they have by law or usage in the courts of such State from which they are taken."

Whether a state court judgment based on an action for breach of contract and other contract causes of action, conversion and trespass to personal property, by the application of the doctrine of "collateral estoppel", precludes a subsequent action in federal court for copyright infringement.

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED	i
TABLE OF AUTHORITIES	iv - vi
OPINIONS BELOW	1
JURISDICTION	1
STATUTORY PROVISION INVOLVED	1
STATEMENT OF THE CASE	5

ARGUMENT - REASONS FOR GRANTING THE PETITION

I. A Subsequent Action in Federal Court for Copyright Infringement Which is Within The Exclusive Jurisdiction of the United States District Court Constitutes an Exception to the Full Faith and Credit Act, Title 28 U.S.C., Section 1738
The Question Presented Involves an Important Issue Under Copyright Law 9

II. A State Court Judgment Based on an Action for Breach of Contract and Other Contract Causes of Action, Conversion and Trespass to Personal Property cannot be Deemed to Preclude a Subsequent Action in Federal Court for Copyright Infringement by the Application of the Doctrine of Collateral Estoppel
The Decision of the Ninth Circuit is in Conflict with Its Prior Decision in *Oddo v. Reis*(1984). 16

TABLE OF CONTENTS - continued

Page

CONCLUSION 28

APPENDIX 1a

TABLE OF AUTHORITIES

Page

Cases

Allen v. McCurry, (1980) 449 U.S. 90, 95 ..... 20, 21

Architectronics, Inc. v. Comtroc Systems, Inc. 935 F.Supp. 425, (S.D.N.Y. 1996) 25

Becher v. Contoure Laboratories, 279 U.S. 388, 49 S. Ct. 356, 73 L.Ed. 752 (1928) 18

Bernhard v. Bank of America, 19 Cal.2d 807, 813, 122 P.2d 892, 895, (1942) 19

Clark v. Watchie, 513 F.2d 994 (9th Cir. 1975) cert. den. 423 U.S. 841, 96 S.Ct. 72, 46 L.Ed.60 (1975) 18

Del Madera Properties v. Rhodes and Gardner, Inc. (9th Cir. 1987) 820 F.2d 973, 977 17

Dielsi v. Falk (DC C.D.Cal. 1996) 916 F.Supp.985, 992.. 26

Harper & Rowe Publishers v. Nation Enterprises 723 F.2d 195, 200 (2nd Cir. 1983, cert. granted ___ U.S. ___ 104 S.Ct. 1655, 81 L.Ed.2d 362 (1984) 24

Kremer v. Chemical Constr. Corp., 456 U.S. 467, 468 (1982) 14

L.A. Unified School Dist. v. L.A. Branch NAACP, 714 F.2d 925, 945 (9th Cir. 1983)..... 19

Lyons v. Westinghouse Electric Corp., 222 F.2d 184 (2d Cir. 1955), cert. den. 350 U.S. 825, 76 S. Ct. 52, 100 L.Ed. 737 (1955) 18

Marrese v. American Academy of Ortho Surgeons 470 U.S. 373, 380 (1985 ..... 10, 11

Matsushita Elec. Industrial Co. v. Epstein 516 U.S. 367, 375 (1996) 10

TABLE OF AUTHORITIES - continued

Page

Cases

Migra v. Warren City School Dist. Bd. of Ed.
465 U.S. 75, 81 (1984) 11

Motown Record Corp. v. George A. Hormel & Co.
(C.D. Cal. 1987) 25

Oddo v. Ries, 743 F.2d 630, 635 (9th Cir. 1984)
..... 24, 25, 27

Radzanower v. Touche Ross & Co., 426 U.S. 148,
154 (1976) 14

Resolution Trust Corp. v. Teen Partnership
(D.Colo. 1993) 835 F.Supp. 563, 571-2 10

Trandes Corp. v. Guy F. Atkinson Co.
996 F.2d 655, 659-660 (4th Cir. 1993) 21, 22

Trujillo v. County of Santa Clara
775 F.2d 1359, 1366 (9th Cir. 1985) 20

Valley National Bank of Arizona v. A.F. Rouse & Co.
(9th Cir. 1997) 121 F.3d 1332, 1335 10

Statutes & Rules

17 U.S.C.Sec. 101, et seq..... 18, 26
17 U.S.C.Sec. 102, ... 1
17 U.S.C.Sec. 106, ... 7
17 U.S.C.Sec. 201, ... 2
17 U.S.C.Sec. 301, ... 2, 25
17 U.S.C.Sec. 302, ... 3
28 U.S.C Sec. 1254(1) 1
28 U.S.C Sec. 1738 ..... 4, 9, 11, 14

California Code of Civil Procedure
Sec. 1911 11

TABLE OF AUTHORITIES - continued

	Page
Cases	
Law Treatises & Text Authorities	
13 Cal Jur 3d (Rev) Part 1, Const. Law, Sec. 95	12
16 Cal Jur 3d (Rev) Part 1, Courts, Sec. 112	12
Nimmer on Copyright, Sec. 1.01[B] (1) (a), (I)	25, 26
Witkin, Summary of California Law, Torts, Sec. 613	26
Restatement 2d of Judgments, Sec. 68.1(c) [Tent. Draft No. 4, 1977], Sec. 28(d) (e)	18
Restatement 2d Judgments, 1982 Sec. 28 (d) (e); Sec. 29	20
Miscellaneous	
S. 22, 94th Cong.2d Sess., September 3 & 22, 1976	25
Revision Notes and Legislative Reports, 1976 Acts; Notes of Committee on Judiciary, House Report No. 94-1476, September 3, 1976	13

OPINIONS BELOW

The opinion of the Ninth Circuit Court of Appeals, affirming the District Court in this Copyright Infringement case and the Order denying the Petition for Rehearing are unpublished.

JURISDICTION OF THE COURT

The Court of Appeals entered its judgment affirming the District Court on January 16, 1998. The Court subsequently entered on September 3, 1998, its Order denying the Petition for Rehearing filed by Anderson. The jurisdiction of this Court on Petition for a Writ of Certiorari is invoked under Title 28 U.S.C., Section 1254(1).

STATUTE INVOLVED

U.S. COPYRIGHT ACT, Title 17, Sec. 101, *et seq.*

Title 17, U.S.C., Section 102. Subject matter of copyright: In General

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expresion, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

* * * * * *

(8) architectural works.

(b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in wich it is described, explained, illustrated, or embodied in such work.

Title 17, U.S.C., Section 106. Exclusive rights in copyrighted works

Subject to sections 107 through 120, the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly; and

(5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly.

Title 17, U.S.C., Section 201. Ownership of copyright

(a) Initial Ownership.-Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are coowners of copyright in the work.

* * * * * *

Title 17, U.S.C., Section 301. Preemption with respect to other laws

(a) On and after January 1, 1978, all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in

works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.

(b) Nothing in this title annuls or limits any right or remedies under the common law or statutes of any State with respect to ---

(1) subject matter that does not come within the subject matter of copyright as specified by sections 102 and 103, including works of authorship not fixed in any tangible medium of expression; or

(2) any cause of action arising from undertakings commenced before January 1, 1978;

(3) activities violating legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106; or

(4) State and local landmarks, historic preservation, zoning, or building codes, relating to architectural works protected under section 102(a)(8).

Title 17, U.S.C., Section 302. Duration of copyright: Works created on or after January 1, 1978

(a) In General.-Copyright in a work created on or after January 1, 1978, subsists from its creation and, except as provided by the following subsections, endures for a term consisting of the life of the author and fifty years after the author's death.

* * * * * *

FULL FAITH AND CREDIT ACT, Title 28 U.S.C. , Section 1738.

"State and Territorial statutes and judicial proceedings; full faith and credit

"The Acts of the legislature of any State, Territory, or Possession of the United States, or copies thereof, shall be authenticated by affixing the seal of such State, Territory or Possession thereto.

"The records and judicial proceedings of any court of any such State, Territory or Possession, or copies thereof, shall be proved or admitted in other courts within the United States and its Territories and Possessions by the attestation of the clerk and seal of the court annexed, if a seal exists, together with a certificate of a judge of the court that the said attestation is in proper form.

"Such Acts, records and judicial proceedings or copies thereof, so authenticated, shall have the same full faith and credit in every court within the United States and its Territories and Possessions as they have by law or usage in the courts of such State, Territory or Possession from which they are taken." (June 25, 1948, c. 646, 62 Stat. 947.)

STATEMENT OF THE CASE
FACTUAL AND PROCEDURAL BACKGROUND

In or about July, 1988, Anderson became aware of an unimproved tract of land for sale in the City of San Diego, California. The seller was the Catholic Church, Diocese of San Diego Education and Welfare Corporation.

Upon acquisition of this property by a corporation in which she had an interest, Anderson proceeded with the development of this tract of land into a 53-lot single-family home subdivision known as "Kings Row".

On July 3, 1989, the City of San Diego Subdivision Board approved Anderson's Tentative Subdivision Map No. 89-0075 by a Resolution adopted by the Board.

Imperial Center V and other defendants named in Anderson's first state court action acquired the "Kings Row" Subdivision tract of land as a result of foreclosure proceedings and proceeded with further development of the property with the unauthorized use of Anderson's approved Tentative Subdivision Development Map (TM) .

The new developers hired the engineering firm of Hale Surveyors, Inc.(HSI) of La Mesa, California to continue with the surveying and engineering work required for further development of the "Kings Row" subdivision. HSI had previously been hired by Anderson in the initial phases of the subdivision development to continue with surveying and engineering work required for processing the TM for

approval by the City of San Diego of a Final Subdivision Development Map to permit the ensuing field work and construction of houses in the tract.

When Anderson forfeited the property through foreclosure, HSI proceeded to accept employment by the new developers for performance of engineering work necessary to pursue development of the "Kings Row" subdivision to its final completion making available to these new developers Anderson's approved TM and other development materials without her knowledge and consent.

Anderson filed an action on May 27, 1994 in state court against the new developers, Hale Surveyors, Inc. and the City of San Diego, California alleging breach of contract and other related contract actions, conversion and trespass to personal property based upon the unauthorized use by the defendants named in that lawsuit of her city-approved Tentative Subdivision Development Map (TM). On January 26, 1995, Anderson filed a Third Amended Complaint upon which the case proceeded to a trial on the merits against all defendants, except the City of San Diego, California. On or about April 28, 1995, the trial Court granted the City's motion for summary judgment and subsequently entered an order accordingly.

Upon the successful conclusion of her lawsuit in state court, by recovery of a money damage judgment on a jury special verdict against Hale Surveyors, Inc.(HSI), Anderson proceeded to file, on August 31, 1995, a Copyright Infringement action in federal court relating to her TM against the new developers

named in her prior state court action and additional defendants named in her second federal court lawsuit, who were not named in her prior lawsuit in state court.

On October 26, 1995, the defendants named in Anderson's Copyright Infringement action filed a Motion to dismiss Anderson's case under the Federal Rules of Civil Procedure, Rule 12(b) (6) on the grounds that the Copyright Infringement claim in federal court was barred by the doctrine of *res judicata* and by license to the defendant, HSI.

On February 20, 1996, the District Court ruled on the dismissal motion and filed an order dismissing Anderson's Copyright Infringement action, on the ground of *res judicata* because of her prior recovery of a judgment in state court relating to her TM, citing to *Robi v. Five Platters, Inc.* 838 F. 2d 318, 321-23 (9th Cir. 1988), a trademark infringement case with respect to which both the state and federal courts have jurisdiction under state and federal law.

On February 29, 1996, at the direction of the District Court, the Clerk of the Court entered a "final judgment" against all defendants in the action, except Hale Surveyors, Inc. (HSI), because the corporation was then in bankruptcy.

On March 15, 1996, Anderson filed an appeal from the District Court's order and final judgment under the Federal Rules of Appellate Procedure, Rules 2 and 4.

On January 16, 1998, the Court of Appeals entered its judgment affirming the District Court. The Court of Appeals subsequently entered, on September 3, 1998, its order denying a Petition for Rehearing filed by Anderson.

This Petition for a Writ of Certiorari is filed requesting a review of the decision and judgment of the United States Court of Appeals for the Ninth Circuit entered in this case.

ARGUMENT- REASONS FOR GRANTING THE PETITION

POINT I

A SUBSEQUENT ACTION IN FEDERAL COURT FOR COPYRIGHT INFRINGEMENT WHICH IS WITHIN THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT CONSTITUTES AN EXCEPTION TO THE FULL FAITH AND CREDIT ACT, TITLE 28 U.S.C., SECTION 1738

The Constitution's Full Faith and Credit Clause[1]/ is implemented by the federal Full Faith and Credit Act, Title 28, U.S.C., Sec. 1738. That statute provides, in pertinent part:

* * * * * *

"Such Acts, records and judicial proceedings or copies thereof, . . . shall have the same full faith and credit in every court within the United States and its Territories and Possessions as they have by law or usage in the courts of such State, Territory or Possession from which they are taken."

1/ "Full Faith and Credit shall be given in each State to the public Acts, Records, and judicial proceedings of every other State. And the Congress may by general Laws prescribe the Manner in which such Acts, Records and Proceedings shall be proved, and the Effect thereof." U.S.Const., Art. IV, 1.

Generally, the Full Faith and Credit Act requires federal courts to give state court judgments the same effect they would have in the state in which they were rendered. *Marrese v. American Academy of Ortho Surgeons*, 470 U.S.373, 380 (1985); *Valley Nat. Bank of Arizona v. A.E.Rouse & Co.* (9th Cir. 1997) 121 F.3d 1332, 1335.

However, if the federal claim would be precluded under state law principles of preclusion, the federal court must then "determine if an exception to Section 1738 should apply", Id. at 1335. *Marrese*, supra; *Matsushita Elec. Industrial Co. V. Epstein*, 516 U.S. 367, 375 (1996); *Trujillo v. County of Santa Clara* (9th Cir. 1985) 775 F.2d 1359, 1364.

Waiver, estoppel and collateral estoppel are common-law judicial doctrines; as such, a court can establish exceptions to their application. *Resolution Trust Corp. v. Teen Partnership* (D.Colo. 1993) 835 F.Supp. 563, 571-2.

The decision by this Court in *Marrese* is squarely in point with the case under review. There, the opening remarks of that decision by Justice O'Connor writing for the majority are, at p.375.

"This case concerns the preclusive effect of a state court judgment in a subsequent lawsuit involving federal antitrust claims within the exclusive jurisdiction of the federal courts."

That is precisely the issue involved in the case under review, except that, instead of an antitrust action, a copyright

infringement claim within the exclusive jurisdiction of the federal courts is the subject of the second action filed in federal court by Anderson.

In *Marrese*, this Court granted certiorari on the question of whether the Seventh Circuit Court of Appeals correctly held that claim preclusion required dismissal of the subsequent federal antitrust action filed by the plaintiff in that case, 467 U.S. 1258 (1984). The Court of Appeals was reversed. For the reasons presented below, we urge the same result in this case.

"[I]n the absence of federal law modifying the operation of Section 1738, the preclusive effect in federal court of [a] state-court judgment is determined by [state] law". *Migra v. Warren City School Dist. Bd. of Ed.*, 465 U.S. 75, 81 (1984).

Petitioner here respectfully urges that the federal Copyright Act, Title 17, U.S.C., Sec 101, *et seq.* is just such a law which modifies the operation and effect of Section 1738 and provides an "exception" to the application of that statute in the instant case.

Under California law, the conclusiveness and effect of a judgment are established by statute. That only is deemed to have been adjudged in a former judgment which appears open upon its face to have been so adjudged, or which was actually and necessarily included therein or necessary thereto. CCP 1911.

Legal or equitable rights acquired under the laws of the United States may be enforced in either the federal courts or the state courts, subject to the qualification that Congress may, if it sees fit, give to federal courts exclusive jurisdiction. 16 Cal Jur 3d (Rev) Part 1, Courts, Sec. 112.

The general rule, referred to in legal parlance, as the doctrine of preemption, is that when Congress has legislated in an area common to both the federal and state governments, the congressional act supersedes all inconsistent state legislation. The underlying rationale of the federal preemption doctrine is that the supremacy clause of the US Constitution invalidates state laws that interfere with or are contrary to federal laws.13 Cal Jur 3d (Rev) Part 1, Constitutional Law, Sec. 95.

Thus, in the field of intellectual works of art, the Congress has legislated to preempt the state courts from adjudicating controversies and issues involving the interpretation and application of copyright law. When congress enacted the new Copyright Act of 1976, under which Anderson filed her copyright infringement claim respecting her TM, the unqualified objective of that federal law was to preempt the states from enacting any legislation of their own in the field of copyright law and to preempt the courts of the various states from adjudicating in any manner disputes that might arise in connection with intellectual documents and other works of art.

The new Copyright Act was enacted by congress in the spirit of developing a uniform system of laws with which to settle such disputes. Instead of a dual system of "common

law copyright" for unpublished works and statutory copyright for published works, which had been the system in effect in the US since the first copyright statute was adopted by the colonies in 1790, the new Copyright Act of 1976 was intended to extend statutory protection to a copyrightable work from the moment of its creation, whether it be published or unpublished.

By substituting a single Federal system for the old, anachronistic and highly complicated dual system, the 1976 Act was designed to greatly improve the operation of the copyright law by being much more effective in carrying out the basic constitutional aims of uniformity and the promotion of writing and scholarship.

One of the fundamental purposes behind the copyright clause of the federal Constitution, as shown in Madison's comments in The Federalist, was to promote national uniformity and to avoid the practical difficulties of determining and enforcing an author's rights under differing laws and in the separate courts of the various states. Revision Notes and Legislative Reports, 1976 Acts; Notes of Committee on the Judiciary, House Report No. 94-1476, September 3, 1976.

It is respectfully submitted that to permit a principle of law, such as the doctrine of collateral estoppel, which depends for its application on the law of a given state, to prevent the Petitioner from enforcing her rights concerning her copyrighted TM in a subsequent action in federal court, having first brought suit in a prior state-court action to enforce claims arising under state law, would obviously

undermine the avowed purpose and spirit of the federal Copyright Act to protect intellectual works of art from the moment of creation by a uniform body of laws enforceable only in the federal courts. To do so would create a legal paradox.

In addressing the issue presented in the instant case, which is identical to that presented in *Marrese*, supra, this Court stated, at p. 386:

"Only if state law indicates that a particular claim or issue would be barred, is it necessary to determine if an exception to Sec. 1738 should apply. Although for purposes of this case, we need not decide if such an exception exists for federal antitrust claims, we observe that the more general question is whether the concerns underlying a particular grant of exclusive jurisdiction justify a finding of an implied partial repeal of Section 1738. Resolution of this question will depend on the particular federal statute as well as the nature of the claim or issue involved in the subsequent action. OUR PREVIOUS DECISIONS INDICATE THAT THE PRIMARY CONSIDERATION MUST BE THE INTENT OF CONGRESS." (Underlining and blocking added for emphasis). See also *Matsushita Elec. Industrial Co. v. Epstein, supra*, at p. 380 quoting from *Marrese*.

In the instant case, there is an "irreconcilable conflict" between the federal Copyright Act and the Full Faith and Credit Act which is the standard for finding an implied repeal of Section 1738. *Kremer v. Chemical Constr. Corp.* 456 U.S. 467, 468 (1982); quoting *Radzanower v. Touche Ross & Co.* 426 U.S. 148, 154 (1976); *Matsushita*, supra.

The decision by the Ninth Circuit in this case applying the doctrine of collateral estoppel to bar enforcement of Anderson's copyright infringement claim in federal court, fails to give due regard to the intent of Congress and the underlying spirit and objective of the federal Copyright Act of 1976 to create a uniform body of federal laws enforceable only in the federal courts.

ARGUMENT-REASONS FOR GRANTING THE PETITION

POINT II

A STATE COURT JUDGMENT BASED ON AN ACTION FOR BREACH OF CONTRACT AND OTHER CONTRACT CAUSES OF ACTION, CONVERSION AND TRESPASS TO PERSONAL PROPERTY CANNOT BE DEEMED TO PRECLUDE A SUBSEQUENT ACTION IN FEDERAL COURT FOR COPYRIGHT INFRINGEMENT BY THE APPLICATION OF THE DOCTRINE OF COLLATERAL ESTOPPEL

On May 27, 1994, the Petitioner filed in San Diego Superior Court an action against Imperial Center V, a California Limited Partnership, and other defendants[2]/ alleging breach of contract and other related contract actions, conversion and trespass to personal property based upon the unauthorized use by the defendants named in that lawsuit of her city-approved developer's Tentative Subdivision Development Map (TM).

On June 6, 1995, the case proceeded to a trial on the merits pursuant to a Third Amended Complaint filed by the Petitioner. At the conclusion of the trial, the Jury returned a Special Verdict in favor of the Petitioner, and awarded

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2/ The defendants named in the present Copyright Infringement action who were not named in petitioner's prior state court action are: Robert J. Holland, Trustee U/ D/T dated November 24, 1982, (as amended); Joseph M. Burkhardt, as Trustee of Burkhardt Inter Vivos Trust, dated August 27, 1982; Jon Jentz, an individual; Robert J. Holland, as Trustee; Joseph H. Burkhardt, as Trustee.

money damages of $200,000. The trial court entered a judgment accordingly.

Subsequently, on August 31, 1995, the Petitioner filed in federal court the present Copyright Infringement action relating to her TM against the defendants named in her prior state court lawsuit[3]/.

A developer's Tentative Subdivision Map is a copyrightable document. *Del Madera Properties v. Rhodes and Gardner, Inc.* (9th Cir. 1987) 820 F.2d 973, 977. The US Copyright Act, Sec. 106 provides a copyright owner with the exclusive rights, for life, of reproduction, preparation of derivative works, distribution, and display. 17 U.S.C. , Sec. 106. See id. at 977. Petitioner became the owner, by assignment, of the copyright to the TM in 1995.

3/ The defendants in the present Copyright Infringement action, in addition to Imperial Center V, L.P. , a California limited partnership are: Triple J. Development, a California limited partnership, a general partner of Imperial Center V, L.P. ; J.P. Brennan Enterprises, Inc., a California corporation, a general partner of Triple J. Development; Holland Construction, Inc., a California corporation; Robert J. Holland, Trustee U/D/T dated November 24, 1982, (as amended); Joseph M. Burkhardt, as Trustee of the Burkhardt Inter Vivos Trust, dated August 27, 1982; Hale Surveyors, Inc., a California corporation; James L. Hale, an individual; James P. Brennan, an individual; Robert J. Holland, an individual; Jon Jentz, an individual; Robert J. Holland, as Trustee; Joseph H. Burkhardt, as Trustee.

The courts have established four criteria for the application of the doctrine of "collateral estoppel" (issue preclusion) in a given case, which are: (1) the prior judgment must be rendered by a court of competent jurisdiction and in accordance with due process requirements; (2) the judgment must be final and on the merits; (3) there must be an identity of both parties or their privies; and (4) the later proceeding must involve the same cause of action.

With regard to the first requirement, this court has held that a grant of exclusive jurisdiction to federal courts does not automatically preclude the application of the doctrine of "collateral estoppel." *Becher v. Contoure Laboratories* 279 U.S. 388, 49 S.Ct. 356, 73 L.Ed. 752 (1928); cf. *Clark v. Watchie*, 513 F.2d 994 (9th Cir. 1975) cert. den. 423 U.S. 841, 96 S.Ct. 72, 46 L.Ed.2d 60 (1975).

However, collateral estoppel is inappropriate when "a new determination is warranted . . . by factors relating to the allocation of jurisdiction between [the two courts]." Restatement 2d of Judgments, Sec. 68.1(c) [Tent. Draft No. 4, 1977], Sec. 28 (d) (e) cf. *Lyons v. Westinghouse Electric Corp.* 222 F.2d 184 (2d Cir. 1955), cert. den. 350 U.S. 825, 76 S.Ct. 52, 100 L.Ed. 737 (1955) (refusal to give collateral estoppel effect to state court finding of no antitrust violation because of need for "an untrammeled jurisdiction of the federal courts." Id. at 189.

In the instant case, the Ninth Circuit, citing to California law on the requirements for collateral estoppel to apply, states: OP. , p.2.

"Subsequent litigation of an issue in federal court may be barred under the doctrine of collateral estoppel, if the issue was actually litigated in state court. (citation). In California, collateral estoppel precludes relitigation of an issue if the issue is identical to the one previously decided, the final judgment was final and on the merits, and the party being estopped was a party, or in privy with a party, to the prior action."
(Underlining added)

These criteria for the application of collateral estoppel as a defense are enunciated in a case previously decided by the Ninth Circuit in *L.A. Unified School Dist. v. L.A. Branch NAACP*, 714 F.2d 935, 945 (9th Cir. 1983) , citing to the California case of *Bernhard v. Bank of America*, 19 Cal.2d 807, 813, 122 P.2d 892, 895 (1942).

It is the element of identity of issues that were litigated and determined in Anderson's state court action against the Defendants there, all of whom and others are involved as Defendants in her Copyright Infringement lawsuit, that prevents the application of the defense of collateral estoppel to cause her prior state court judgment, which adjudicated merely her common law causes of action FOR BREACH OF CONTRACT, CONVERSION and TRESPASS TO PERSONAL PROPERTY against these Defendants, to act as a bar to her federal Copyright Infringement claim, in the context of the admonition by the US Supreme Court in *Allen v. McCurry* (1980) 449 U.S. 90, 95, that "the concept of collateral estoppel cannot apply when the party against whom the earlier decision is asserted did not have a 'full and fair' opportunity to litigate that issue in the earlier case."; See Restatement 2d Judgments, 1982 Sec. 28 (d) (e); Sec. 29.

The Supreme Court's caveat was acknowledged by the Ninth Circuit in *Trujillo v. County of Santa Clara*, 775 F.2d 1359, 1366 (9th Cir. 1985) which case was cited as the court's principal authority to apply collateral estoppel to bar Anderson's Copyright Infringement claim, where the court stated, at p. 1369:

"Of course, collateral estoppel may be invoked only if the party against whom it is being asserted received a full and fair opportunity to litigate his claim in the first proceeding.", citing to *McCurry*, supra.

Suffice it to say, Anderson did not have a "full and fair" opportunity to litigate a claim deemed to be within the scope of the rights protected by the US Copyright Law, because her lawsuit in state court was focused exclusively on litigation of her claims for BREACH OF CONTRACT, CONVERSION and TRESPASS TO PERSONAL PROPERTY as alleged in her Complaint filed in that action.

A determination of the identity of the issue litigated in the prior action with the issue in a subsequent action to invoke the rule of collateral estoppel as a defense to the later action, requires a careful analysis and comparison of the allegations of the pleadings in each action. A case which best illustrates this principle is the decision by the Fourth Circuit in *Trandes Corp. v. Guy F. Atkinson Co.*, 996 F.2d 655, 659-66 (4th Cir. 1993). That case involved a lawsuit for trade secret misappropriation filed in the US District Court. Trandes also asserted a claim for copyright infringement. The Defendant argued, inter alia, that the Plaintiff's claim for trade secret misappropriation was preempted by the Copyright Act. Both the District Court and the Fourth Circuit concluded that the Copyright Act did not preempt Trandes' trade secret claims.

The significance of the *Trandes* case in seeking an answer to the question presented in the case under review, as to the applicability of the defense of collateral estoppel on a claim that the issues adjudicated in Anderson's state court

action for BREACH OF CONTRACT, CONVERSION and TRESPASS TO PERSONAL PROPERTY are identical to the issues to be decided in her Copyright Infringement claim, is the appellate court's approach in comparing the constituent elements of a claim for trade secret misappropriation with a claim for Copyright Infringement.

The significant language of that decision by the Fourth Circuit in *Trandes*, supra, as it relates to the resolution of the problem of whether or not, in the instant case, it is proper to invoke the defense of collateral estoppel to bar Anderson's Copyright Infringement federal lawsuit by her prior state court judgment based solely on litigation of the issues involved in proving her claims for BREACH OF CONTRACT, CONVERSION and TRESPASS TO PERSONAL PROPERTY brought against most of the Defendants now named in her Copyright Infringement action, appears at p. 660:

"We agree with the Second Circuit that the breach of a duty of trust or confidentiality comprises the core of actions for trade secret misappropriation and 'supplies the extra element' that qualitatively distinguishes such trade secret causes of action from claims for copyright infringement that are based solely upon copying." (citations)

The Third Amended Complaint filed in Anderson's state court lawsuit upon the basis of which the case proceeded to trial alleged causes of action for BREACH OF CONTRACT, CONVERSION, TRESPASS TO PERSONAL PROPERTY, and various other related Breach of Contract claims, as well as some Tort claims resulting from the actions of the Defendants against which

she complained. The FIRST CAUSE OF ACTION FOR CONVERSION OF PROPERTY was pleaded in terms of the traditional elements which constitute a common law cause of action for Conversion, i.e. physical possession and dominion and control over development materials and work products which she had created that were necessary to achieve tentative approval from the appropriate authorities of the City of San Diego for development of her "Kings Row" subdivision project.

The SECOND CAUSE OF ACTION FOR TRESPASS TO PERSONAL PROPERTY was couched in essentially the same allegations as those in her Conversion claim, i.e. physical interference with her development materials and work products which she had made available to her project surveyor and engineer for the purpose of obtaining from the City a Final Approval of the subdivision to permit the ultimate construction of one-family homes in the tract until the project was completely built out.

There was not the remotest suggestion in any of the various allegations of Anderson's complaint in the earlier state court lawsuit that she was seeking relief or protection of rights protected by the US Copyright Act. Causes of action for common law Conversion and Trespass to Personal Property are qualitatively different from a Copyright Infringement claim. Thus, the element of identity of issues for the application of the principle of collateral estoppel to operate as a defense to her present copyright infringement claim is absent.

Clear and cogent support for this contention by the Petitioner, in the case under review, is provided by a previous decision by the Ninth Circuit in the case of *Oddo v. Ries*, 743 F.2d 630, 635 (9th Cir. 1984). The following pertinent language appears in the opinion, at p. 635:

"Conversion of tangible property involves actions different from those proscribed by the copyright laws, and thus is not preempted, citing to *Harper & Row*, 723 F.2d at 201.

"Oddo also claimed that Ries breached the fiduciary duty that Ries owed Oddo as a partner. Because a partner's duty to his co-partner is quite different from the interests protected by copyright, this cause of action is also not preempted."

Likewise, the Breach of Contract claims filed by Anderson against her project engineer, d/b/a Hale Surveyors, Inc., were all about the breach of his professional duty to her by misappropriating her development materials and work products in gaining Final City Approval of the subdivision in complicity with other third-party developers who took advantage of the development materials, work products and tentative subdivision map approval by the City for their own use and financial benefit.

With regard to the qualitative difference between a state common law cause of action for CONVERSION and the lesser tort of TRESPASS TO PERSONAL PROPERTY an early draft of the Copyright Act included a list of state claims which would not be preempted by federal law, as not being the equivalent to any of the exclusive rights within the general scope of copyright protection.

On that list were causes of action for breach of contract, trespass and conversion. S. 22, 94th Cong. 2d Sess. , September 22, 1976. However, the list of such causes of action was excluded from the bill as finally enacted in favor of a general provision in Section 301 (b) (3) which states:

"Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to–

"(3) activities violating legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106"

It thus remains for the courts to sort out which state law causes of action are or are not equivalent to rights covered by the Copyright Act. *Motown Record Corp. v. George A. Hormel & Co.*, 657 F.Supp. 1236, 1239 (C.D.Cal. 1987). As stated above, the Ninth Circuit in *Oddo v. Ries*, supra, has previously declared that "Conversion of tangible property involves actions different from those proscribed by the copyright laws", and, by implication, this rule would also apply to the lesser tort of Trespass to Personal Property.

A BREACH OF CONTRACT cause of action is not within the scope of copyright protection, because a contract claim requires an "extra element" that renders the claim qualitatively different from a claim for copyright infringement: a promise by the defendant. Breach of contract claims are not preempted under the copyright act. *Architectronics, Inc. v. Comtroc Systems, Inc.*, 935 F.Supp. 425, (S.D.N.Y. 1996) and cases cited at 439, See 1 Nimmer on Copyright, Sec 1.01 [B] (1) (a).

Clearly then, the answer to the legal propriety of applying the principle of collateral estoppel in the case at hand to bar the Petitioner's Copyright Infringement claim is found in the decisional law dealing with the issue of preemption of a state common law or statutory claim because it seeks to redress a wrong that falls within the general scope of copyright protection.

A case in point is the decision by the District Court in *Dielsi v. Falk* (DC C.D.Cal. 1996) 916 F.Supp. 985, 992, where the plaintiff's claims for conversion and negligence were preempted by the federal Copyright Law because he alleged that the defendants wrongfully "copied" ideas expressed in a television script and then converted them to their own use. The tangible television script was not taken from the plaintiff.

—

Copying and distribution of literary intangible property does not state a claim for conversion. The torts of conversion and trespass relate to interference with tangible rather than intangible property. The court cites to Witkin, Summary of California Law, Torts, Sec. 613; Nimmer on Copyright, Sec. 1.01[B](1) (i) for these principles of law.

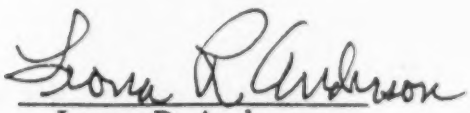
Falk is clearly distinguishable from the Anderson case, when due and proper consideration is given to the allegations of her Complaint which precisely plead the elements for common law causes of action for Conversion and Trespass in terms of physical dominion and control and interference with her development materials and work products created in connection with development of her Kings Row subdivision project. As the Ninth Circuit held in

Oddo v. Ries, supra, "Conversion of tangible personal property, involves actions that are not preempted by the Copyright Law." The decision by the Ninth Circuit in the case under review is thus in conflict with its prior decision in that case.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,



Leona R. Anderson
Petitioner, Pro Se

Dated: November 27, 1998.

APPENDIX

[Rule 14.1 (k) (I)]

Documents in the following order:

1. Opinion sought to be reviewed
2. Order on Petition For Rehearing

UNITED STATES COURT OF APPEALS

FOR THE NINTH CIRCUIT

FILED
JAN 16 1998
CATHY A. CATTERSON, CLERK
U.S. COURT OF APPEALS

LEONA ANDERSON, a single woman,	)	No. 96-55401
Plaintiff-Appellant,	)	D.C.No. CV-95-01881- JRS
v.	)	
IMPERIAL CENTER V., L.P., a California limited partnership; TRIPLE J DEVELOPMENT, a California limited partnership, a general partner of Imperial Center V, L.P.; J.P. BRENNAN ENTERPRISES, INC., a California corporation, a general partner of Triple J Development; HOLLAND CONSTRUCTION, INC., a California corporation; ROBERT J. HOLLAND, Trustee U/D/T dated November 24, 1982 (as amended); JOSEPH M. BURKHARDT, as Trustee of the Burkhardt Intervivos Trust, dated August 27, 1982; HALE SURVEYORS, INC., a California corporation; JAMES L. HALE, an individual; JAMES P. BRENNAN, an individual; ROBERT J. HOLLAND, an individual, JON JENTZ, an individual; ROBERT J. HOLLAND, as Trustee; JOSEPH H. BURKHARDT, as Trustee,	)	MEMORANDUM*
Defendants-Appellees.	)	

Appeal from the United States District Court for the Southern District of California
John S. Rhoades, District Judge, Presiding

* This disposition is not appropriate for publication and may not be cited to or by the courts of this circuit except as provided by the 9th Cir. R. 36-3.

Submitted January 12, 1998**

Before: BROWNING, KLEINFELD, and THOMAS, Circuit Judges.

Leona Anderson appeals pro se the district court's dismissal of her copyright action on res judicata grounds. This courts has jurisdiction pursuant to 28 U.S.C. § 1291, and we affirm.

We review de novo a district court's dismissal based on res judicata. See Palomar Mobilehome Park Ass'n v. City of San Marcos, 989 F.2d 362, 363 (9th Cir. 1993). We may affirm on any ground supported by the record. See Welch v. Fritz, 909 F.2d 1330, 1331 (9th Cir. 1990).

Federal courts must give the same preclusive effect to state court judgments that courts of that state would. See 28 U.S.C. § 1738 (1994); Allen v. McCurry, 449 U.S. 90, 96 (1980). Under the doctrine of res judicata, a state court judgment cannot preclude litigation of a claim within the federal courts' exclusive jurisdiction. See Trujillo v. County of Santa Clara, 775 F.2d 1359, 1366 (9th Cir. 1985). Subsequent litigation of an issue in federal court may be barred, however, under the doctrine of collateral estoppel, if the issue was actually litigated in state court. See id. at 1369. In California, collateral estoppel precludes relitigation of an issue if the issue is identical to one decided previously, the prior judgment was final and on the merits, and the party being estopped was a party, or in privity with a party, to the prior action. See id.

** The panel unanimously finds this case suitable for decision wihtout oral argument. Fed. R. App. P. 34(a); 9th Cir. R. 34-4.

Here, the issue raised in the district court, whether the defendants possessed, copied, and used Anderson's subdivision maps without permission, is identical to that decided previously in state court.[1]/ Accordingly, Anderson's copyright claim is barred by collateral estoppel. See Trujillo at 1369.[2]/

AFFIRMED.[3]/

1/ Anderson does not challenge the district court's conclusion that the other two elements for collateral estoppel were met.

2/ The district court did not abuse it's discretion by declining to exercise jurisdiction over Anderson's remaining state law claims. See Sinaloa Lake Owners Ass'n v. City of Semi Valley, 70 F.3d 1095, 1102 (9th Cir. 1995).

3/ Appellant and appellees' requests for judicial notice are hereby granted.

UNITED STATES COURT OF APPEALS

FILED

FOR THE NINTH CIRCUIT

SEP - 3 1998

CATHY A. CATTERSON, CLERK
U.S COURT OF APPEALS

LEONA ANDERSON, a single woman,	)	No. 96-55401
Plaintiff-Appellant,	)	D.C.No CV-95-01881- JSR
v.	)	Southern- California (San Diego)
IMPERIAL CENTER V., L.P., a California limited partnership; TRIPLE J DEVELOPMENT, a California limited partnership, a general partner of Imperial Center V, L.P.; J.P. BRENNAN ENTERPRISES, INC., a California corporation; a general partner of Triple J Development; HOLLAND CONSTRUCTION, INC., a California corporation; ROBERT J. HOLLAND, Trustee U/D/T dated November 24, 1982 (as amended); JOSEPH M. BURKHARDT, as Trustee of the Burkhardt Intervivos Trust, dated August 27, 1982, HALE SURVEYORS, INC., a California corporation; JAMES L. HALE, an individual; JAMES P. BRENNAN, an individual; ROBERT J. HOLLAND, an individual; JON JENTZ, an idividual; ROBERT J. HOLLAND, as Trustee; JOSEPH H. BURKHARDT, as Trustee,	)	ORDER
Defendants-Appelles.	)	

Before: BROWNING, KLEINFELD, and THOMAS, Circuit Judges.

The panel has voted to deny appellant's petition for

rehearing and to reject the suggestion for rehearing en banc.

The full court has been advised of the suggestion for rehearing en banc and no active judge has requested a vote on whether to rehear the matter en banc. Fed. R. App. P. 35.

The petition for rehearing is denied and the suggestion for rehearing en banc is rejected.

ERRATA

Petitioner's Telephone Number is:

(619) 443-7500

Supreme Court

98 954 DEC 0 2 1998

OFFICE OF THE CLERK

No.

IN THE

Supreme Court of the United States

October Term, 1998

LEONA R. ANDERSON,

Petitioner,

v.

IMPERIAL CENTER V, L.P., a California Limited Partnership, ET AL.,

Respondents.

Supplement To Appendix
On Petition For Writ Of Certiorari
To The United States Court of Appeals
For the Ninth Circuit

Leona R. Anderson
Petitioner, Pro Se
10508 Valle Vista Road
Lakeside, CA. 92040
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4 pp

FILED

FEB 21 1996

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
DEPUTY

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

LEONA ANDERSON,	) CIVIL NO. 95-1881-R (BTM)
Plaintiff,	) ORDER GRANTING IN PART
	) AND DENYING IN PART
	) DEFENDANTS'
v.	) MOTION TO DISMISS THE
	) COMPLAINT
IMPERIALCENTER V., L.P., et al.	)
Defendants.	)

This matter is before the Court on Defendants' motion to dismiss Plaintiff Leona Anderson's complaint on the basis of *res judicata.*

After carefully considering the pleadings and briefing in this case and taking judicial notice of Anderson's pleadings in state court, this Court finds as follows:[1]

1. Plaintiff's federal action is barred under the doctrine of *res judicata* with respect all Defendants against whom a final judgment has been obtained in state court. See *Robi v. Five Platters, Inc.*,838 F. 2d 318, 321-23 (9th Cir.1988);[2]
2. A final judgment has been obtained in state court against all Defendants except for Hale Surveyors, Inc.;
3. This action is dismissed with prejudice with respect to all Defendants except for Hale Surveyors, Inc.;
4. This Court finds there is no just reason for delay and directs the clerk of the court to enter a final judgment under Fed.R.Civ.P. 54(b) with respect to all Defendants except for Hale Surveyors, Inc.;

1/ See Fed. R. Civ. P. 52(a) ("Findings of fact and conclusions of law are unnecessary on decisions of motions under Rule 12 or 56.").

2/ This finding applies to Defendants in this action who were not named in the state court action but were in privity with parties who litigated the state court action.

5. This Court declines to exercise supplemental jurisdiction over Anderson's remaining state law claims, see *United Mine Workers v. Gibbs*, 383 U.S. 715, 726 (1966) ; 28U.S.C. § 1367 (c) (3) ;

6. Since the remaining Defendant, Hale Surveyors, Inc., is in bankruptcy, in the interest of sound judicial administration, it is hereby ordered that the clerk of this court is to close this matter, subject to reopening upon notice by either party if further proceedings are necessary.

IT IS SO ORDERED:
Date: 2/20/96

"s/_____".
John S. Rhoades, Sr.
United States District Judge

Copies to :

All Parties